

February 12, 2009

U.S. Bankruptcy Court
One Bowling Green
Room 610
New York, NY
10004
Attn: Honorable Robert D. Drain

Dear Judge Drain,

This letter is lengthy and the objections may not conform to the Federal Rules of Bankruptcy Protection; however, I was unable to retain an attorney with such short notice (less than two weeks).

RE: Contesting Delphi's Salaried OPEB termination motion Case No 05-44481.

- I am a Delphi Thermal Salaried retiree and am contesting to Delphi's motion 05-44481 to terminate Delphi paid post retirement health care and life insurance benefits. I worked at GM and then later Delphi for 32 years. I began working on the assembly line immediately after high school. I thought I wanted to better myself so I worked full time while attending college full. I was promoted from UAW 686 to the salaried work force.
- Just because vehicle sales are down 49% in January 2009 is not a justifiable reason to terminate our medical and life insurance. Of course, vehicle sales are down because the entire economy is in a recession. Volumes will increase mid year. However, most of us have been purchasing and supporting American made cars and trucks for years. Living off of 30-40% of what you used to make and paying for your own health insurance will not allow retirees to purchase new cars. We are responsible citizens! Bankruptcy is not the solution to avoid financial responsibility!
- Many of us were forced to retire. I retired in January, 2008, almost three years after Delphi filed for bankruptcy? Delphi would continue to tell us "we are in the last stages of obtaining financing". "Don't worry we have this disclaimer (it's a formality) but we see no reason why your pension will go to the PBGC or you would lose your health benefits".
- I find it very troubling that Delphi would tell people the week before they signed papers to retire that their medical and life insurance would be provided. The next week the employees who agreed to retire - receive notice that Delphi is terminating their medical and life insurance benefits. **This is FRAUDULENT and DECEPTIVE!** Delphi knew that they were filing a motion to terminate medical benefits and this was not disclosed.
- Delphi sent everyone notification on February 5, 2009 that effective April 1, 2009, retirees health and life insurance benefits are terminated. However, the media (TV and newspaper) reports that a Hearing is scheduled and nothing has been decided upon. We salaried retirees need legal representation at these Hearings. We received less than two weeks notice and Delphi has had over three years to come up with a plan to exit bankruptcy!
- Has Delphi requested any federal government bailout money? If not, why not? We are more deserving of bailout money than those on Wall St and the banks. We manufactured products and contributed to the GNP! Most of us have contributed 30 plus years at the same company (can't say that for people employed in the banking industry and Wall St).

- Instead of Delphi continuing to take away benefits from the people who made the company profitable, Delphi needs to focus on a **solid business plan and grow the business!** Does Delphi have a comprehensive strategic plan? I'm sure the answer is NO. I worked with an outside consultant at Delphi. The consultant would joke and say is "Delphi producing or presenting". Delphi would show you all these fancy charts and all these projections. Never any accountability or a plan. If you asked about the projections for last year .Did we meet or exceed the plan (forget it!). They just start all over. It's easier. Delphi will tell you we booked \$100 million dollars of new business. Only to find out it does not start until 2014 and the customer changes their mind the next year. No big deal! In order for Delphi to exit bankruptcy Delphi needs a long term plan to increase revenue (and in **not** just automotive). Delphi Thermal could focus on small efficient heat exchangers for energy efficient furnaces, fireplaces, portable heaters etc.
- There are many opportunities for Delphi. It's easier for Delphi to file motions to terminate benefits than grow the business. Delphi thinks that they can exit bankruptcy and issue new stock. It does not work this way! Delphi has all theses resources (plants equipment, tooling etc) and they still don't take advantage of them.
- Delphi's former CEO, J.T. Battenberg and Alan Dawes were touting what a great deal the stock was (violation of SEC rules) up until everything was uncovered by the SEC. Delphi engaged in multiple fraudulent and accounting schemes! I purchased the Delphi stock at the IPO price of \$17.00 a share because I believed J.T. was telling the truth. All kinds of unacceptable accounting principles were used by Delphi (hiding warranty claims, selling inventory and then buying inventory back the next quarter, special deals with GM and lump sum payouts). J.T. made millions of dollars. Many salaried employees (including myself) were left with Delphi stock currently trading at \$.06 and a worthless 401 K. J.T. got off free and clear. I wouldn't be surprised if Delphi paid for J.T.'s legal expenses. J.T. should have gone to jail!
- Many executives made hundreds of thousands of dollars a year and the lower and middle salaried employees would get a whopping 2% raise. Many executives don't have to worry about medical insurance because they should have a hefty savings from their big salaries and bonuses.
- Delphi kept promising to employees hired before 1993 that the raises are small but we will take care of you at retirement. Your benefits will not be worse than the hourly work force. **WRONG!!**
- Delphi passed the majority of their post retirement health care liabilities to the UAW. Delphi already transferred \$2 Billion dollars of their pension liability to GM. Delphi took away the salaried post retirement medical coverage at 65 years of age. Delphi needs to stop taking benefits away from the people who invested their life with this company. Delphi transferred their liabilities, cut hourly and salaried pay, forced thousand to leave and divested many Delphi plants. Delphi is still not making money?!! **Delphi needs to provide FULL DISCLOSURE of the books. Accountants need to audit Delphi.**
- Delphi does not even know there actual profit because they don't use generally accepted accounting principles. Ask Delphi what the profit is on a Sierra/Silverado HVAC module, or on a specific radiator part number and they can't tell you! Note: the Sierra/Silverado vehicle volumes have been between **1.3-1.7 million** vehicles per year. Delphi blames it on a sophisticated SAP system- that can't provide actual costs for specific part numbers. It was difficult working in Sales. I wanted to raise prices but no one knew could tell you what the costs were on a particular part number. The costs are allocated so you never knew what products you were making money on or losing money on!

Raising prices were not allowed because there was some kind of side deal going on (give backs or whatever you want to call it). You didn't even know what the true sales price because of all the side deals. Delphi could be making money and they wouldn't even know it! I'm sure that is one of the reasons why potential investors (like Appaloosa) backed away. Delphi is irresponsible and clueless when it comes to their own profitability!

- Many Delphi middle managers had to sleep with pagers and often be on call 24/7. At times I would work 18 hour days. I never received overtime pay. It was expected- you did what it took to get the job done!
- The executives flew back and forth to Detroit. While the middle and lower level salaried employees had to drive old company cars. One time I had to drive an old Chevy Cobalt (Delphi car) with bald tires, broken mirror and no windshield wiper fluid. I prayed I would make it to Troy, Michigan alive after slipping and sliding all over the road (a single woman driving alone through desolate Canada). I was a responsible employee though and wanted to do what's best for Delphi! Often, I would miss my daughter's open houses and parent teacher meetings.
- I am a single parent raising two teenage daughters on my own. Not having medical and life insurance is catastrophic to me. I know it is to others too.

I will be in New York City on February 24th and I would like to attend the Hearing. Will the Hearing be open to the public? Please advise.

We retirees can provide other recommendations to save costs but additional time is needed. Delphi has been fraudulent in the past. Fraudulent activity may be continuing at Delphi. This is why full disclosure is needed. Delphi has gotten away with too much for too long!

Please take retirees objections and letters into consideration before a decision is made. Thank you for your consideration

Sincerely,

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